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**CHAPTER 315**  
**SAVINGS BANK**

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## CHAPTER 315

## SAVINGS BANK

**An Act relating to The Bahamas Post Office Savings Bank.**

*7 of 1936  
43 of 1964  
E.L.A.O., 1974  
5 of 1987  
21 of 2013*

*[Commencement 1st June, 1936]*

1. This Act may be cited as the Savings Bank Act. Short title.
2. In this Act, unless the context otherwise requires — Interpretation.

“Minister” means the Minister responsible for the Post Office Savings Bank;

“prescribed” means prescribed by rules under this Act; *E.L.A.O., 1974.*

“revenue” of the Savings Bank does not include moneys received on deposit;

“Savings Bank” means the Post Office Savings Bank established under the Post Office Act and continued under this Act as the Post Office Savings Bank of The Bahamas. *16 of 1914.*
3. The Savings Bank (and all other offices thereof) subsisting at the time when this Act comes into operation shall be deemed to be constituted and appointed under this Act. Constitution of Savings Bank.
4. Subject to the provisions of section 11 of this Act the Savings Bank shall be under the management and control of the Postmaster-General who may, subject to the provisions of this Act and any rules made thereunder, take such steps as may be desirable for the encouragement of thrift, for the proper management of the Savings Bank, and otherwise for the promotion of the objects and purposes of this Act. Management under Postmaster-General.
5. The Postmaster-General may, with the approval of the Minister, open branch savings banks at any post office in The Bahamas and may, with like approval, close any branch savings bank. Establishment and closure of branch savings banks.  
*E.L.A.O., 1974.*

Appointment of  
officers.  
*E.L.A.O., 1974.*

**6.** The Governor-General, acting in accordance with the advice of the Public Service Commission, may appoint such persons as may be necessary for the execution of this Act.

Deposits and  
repayments.

**7.** Deposits of money to be paid into the Savings Bank shall be received and repaid under such conditions as may be prescribed.

Security of  
Government.  
*E.L.A.O., 1974.*

**8.** The repayment of all moneys deposited in the Savings Bank together with interest thereon is guaranteed by the Government of The Bahamas, and accordingly if at any time or times the assets of the Savings Bank shall be insufficient to pay the lawful claims of every depositor, the Minister of Finance shall cause such deficiency to be met out of the Consolidated Fund, which is hereby appropriated to that purpose, and the Treasurer shall certify such deficiency to Parliament without delay.

Interest.  
*E.L.A.O., 1974.*

**9.** (1) Interest shall be payable on deposits at the rate of two per centum per annum, or at such other rate as may be fixed from time to time by the Minister:

Provided that not less than three months' notice of any change of rate shall be given in the *Gazette*.

*5 of 1987, Sch.*

(2) Such interest shall not be payable on any amount less than one dollar or on any fraction of one dollar and shall not commence to accrue until the first day of the month next following the day of deposit and shall cease on the last day of the month preceding that in which such deposit shall be withdrawn.

(3) Interest on deposits shall, subject to the provisions of subsection (2) of this section, be calculated to the thirtieth day of June in every year and shall then be added to and become part of any principal money remaining on deposit.

Salaries and  
expenses.

**10.** (1) All expenses incurred in the execution of this Act shall be met from revenue derived from the investment of moneys deposited in the Savings Bank.

*E.L.A.O., 1974.*

(2) For the purposes of this Act expenses shall mean the cost of any work or service done by or in connection with the Savings Bank, including such sum on account of administrative and other overhead expenses as may, with the approval of the Minister, be reasonably assigned to that work or service.

**11.** (1) Subject to the provisions of this Act moneys in the Savings Bank shall not be applied in any way to the purposes of The Bahamas, but, except so far as any sums may be prescribed to be kept in hand for the general purposes of the Savings Bank, shall be deposited in the Treasury and shall, as far as practicable, be invested on behalf of the Savings Bank, under the direction of the Treasurer, in such securities or be employed at interest in such manner as shall be approved from time to time by the Minister, and any such investment may at any time be changed into other like securities:

Disposal of moneys.

*E.L.A.O., 1974.*

Provided that not more than one-half of such moneys shall at any time be or remain invested in securities of the Government of The Bahamas.

*21 of 2013, s. 2.*

(2) Any sums of money that may from time to time be required for the repayment of any deposit or deposits under the authority of this Act, or for the payment of interest thereon or expenses incurred in the execution of this Act, may be raised by the sale of the whole or part of such securities:

Provided that any sums of money which may be required for the purposes aforesaid, may, with the approval of the Minister, be advanced to the Savings Bank by the Treasurer out of the Consolidated Fund until they can be raised by the sale of such securities and such advances shall bear interest at the rate from time to time payable to depositors.

*E.L.A.O., 1974.*

**12.** Annual accounts of the revenue and expenditure of the Savings Bank and of deposits received and repaid and interest credited to depositors during the year ended on the thirtieth day of June together with a statement of the assets and liabilities of the Savings Bank, shall, after being audited and certified by the Auditor, be laid upon the table of the two Houses of Parliament not later than the thirty-first day of December ensuing in every year and shall as soon as practicable thereafter be published in the *Gazette*.

Accounts.

**13.** (1) If in any year the revenue of the Savings Bank shall be insufficient to defray the interest due to depositors and all expenses under this Act, such deficiency shall be met out of the Consolidated Fund which is hereby appropriated to that purpose.

Surpluses and deficits.

*E.L.A.O., 1974.*

*E.L.A.O., 1974.*

(2) If in any year the revenue of the Savings Bank shall be more than sufficient to defray the interest due to depositors and all expenses under this Act, then the Minister may direct the transfer of the surplus or any portion thereof to the Consolidated Fund:

Provided that no such transfer shall be made unless the assets of the Savings Bank will thereafter exceed the liabilities by not less than fifteen per centum of the liabilities to depositors.

*E.L.A.O., 1974.*

(3) If on the thirtieth day of June in any year the assets of the Savings Bank exceed the liabilities by more than fifteen per centum of the liabilities to depositors then the Minister may direct that the surplus over fifteen per centum or any portion thereof shall be transferred to the Consolidated Fund.

Power to make  
rules.  
*E.L.A.O., 1974.*

**14.** (1) The Minister may make rules for the management and regulation of the Savings Bank.

(2) In particular and without prejudice to the generality of the foregoing powers such rules may —

- (a) prescribe limits of deposits;
- (b) prescribe the modes of making deposits;
- (c) prescribe the modes of withdrawing deposits and interest;
- (d) prescribe the times at which deposit books shall be returned to the Savings Bank by depositors;
- (e) regulate deposits by minors, guardians, trustees, married women, Friendly Societies and other charitable bodies;
- (f) prescribe conditions for the withdrawal of moneys by minors, guardians, trustees, married women, Friendly Societies and other charitable bodies;
- (g) prescribe the modes of dealing with the deposits of deceased or insane persons;
- (h) prescribe penalties not exceeding a fine of one hundred dollars for the breach of any such rule;
- (i) provide for the forfeiture of deposits made in wilful contravention of this Act;
- (j) authorise the Postmaster-General to enter into an arrangement with the Post Office Savings Bank of the United Kingdom of Great Britain

*5 of 1987, s. 2.*

and Northern Ireland or with the Government Savings Bank of any other country of the Commonwealth, or any foreign country, for the transfer of any sum standing to the credit of depositors from such Savings Bank to the Bahamas Savings Bank, and *vice versa*, and prescribe conditions for such transfers.

*43 of 1964, Third Sch.*

**15.** (1) No person appointed to carry this Act into effect shall disclose the name of any depositor or the amount which may have been deposited or withdrawn by any depositor except in due course of law, or to such person or persons as may be appointed to assist in carrying this Act into operation.

Names of depositors, etc., not to be disclosed.

(2) Any person contravening the provisions of this section shall on summary conviction be liable to a fine of four hundred dollars.

*5 of 1987, s. 2.*

**16.** If any dispute shall arise between the Postmaster-General or the officer managing and controlling any branch savings bank and any individual depositor therein, or any executor, administrator, next-of-kin of a depositor, or any creditor or assignee of a depositor who may become bankrupt or insolvent, or any person claiming to be such executor, administrator, next-of-kin, creditor or assignee, or to be entitled to any money deposited in such savings bank, then, and in every such case, the matter in dispute shall be referred to an arbitrator to be appointed by the Minister, and if the parties be dissatisfied with the decision given by the single arbitrator so appointed the matter may be referred to arbitration under the provisions of the Arbitration Act.

Settlement of disputes.

*E.L.A.O., 1974.*

Ch. 180.

**17.** When any payment is made or act done by the Postmaster-General or any person acting under his authority in accordance with this Act and the rules for the time being made thereunder, the Government, the Postmaster-General and such person shall not be liable in respect of any claim on the part of any person in connection with such payment or act, but any person may nevertheless recover any sum lawfully due to him from the person to whom the Postmaster-General has paid the same.

Non-liability of Government.